

(c) Ensure that any claims against a borrower, guarantor, security holders, and collateral are legally enforceable;

(d) Demonstrate appropriate administration and monitoring of its loans; and

(e) Take into account the size and complexity of its loans.

**§ 560.172 Re-evaluation of real estate owned.**

A savings association shall appraise each parcel of real estate owned at the earlier of in-substance foreclosure or at the time of the savings association's acquisition of such property, and at such times thereafter as dictated by prudent management policy; such appraisals shall be consistent with the requirements of part 564 of this chapter. The Regional Director or his or her designee may require subsequent appraisals if, in his or her discretion, such subsequent appraisal is necessary under the particular circumstances. The foregoing requirement shall not apply to any parcel of real estate that is sold and reacquired less than 12 months subsequent to the most recent appraisal made pursuant to this part. A dated, signed copy of each report of appraisal made pursuant to any provisions of this part shall be retained in the savings association's records.

**Subpart C—Alternative Mortgage Transactions**

**§ 560.210 Disclosures for variable rate transactions.**

A savings association must provide the initial disclosures described at 12 CFR 226.19(b) and the adjustment notices described at 12 CFR 226.20(c) for variable rate transactions, as described in those regulations. The OTS administers and enforces those provisions for savings associations.

[63 FR 38463, July 17, 1998]

**§ 560.220 Alternative Mortgage Parity Act.**

Pursuant to 12 U.S.C. 3803, housing creditors that are not commercial banks, credit unions, or Federal savings associations may make alternative mortgage transactions as defined by that section and further de-

finied and described by applicable regulations identified in this section, notwithstanding any state constitution, law, or regulation. In accordance with section 807(b) of Public Law 97-320, 12 U.S.C. 3801 note, §§ 560.33, 560.34, 560.35, and 560.210 of this part are identified as appropriate and applicable to the exercise of this authority and all regulations not so identified are deemed inappropriate and inapplicable. Housing creditors engaged in credit sales should read the term "loan" as "credit sale" wherever applicable.

**PART 561—DEFINITIONS FOR REGULATIONS AFFECTING ALL SAVINGS ASSOCIATIONS**

Sec.	
561.1	General.
561.2	Account.
561.3	Accountholder.
561.4	Affiliate.
561.5	Affiliated person.
561.6	Audit period.
561.7	BIF.
561.8	[Reserved]
561.9	Certificate account.
561.12	Consumer credit.
561.14	Controlling person.
561.15	Corporation.
561.16	Demand accounts.
561.18	Director.
561.19	Financial institution.
561.24	Immediate family.
561.26	Land loan.
561.27	Low-rent housing.
561.28	Money Market Deposit Accounts.
561.29	Negotiable Order of Withdrawal Accounts.
561.30	Nonresidential construction loan.
561.31	Nonwithdrawable account.
561.33	Note account.
561.34	Office.
561.35	Officer.
561.37	Parent company; subsidiary.
561.38	Political subdivision.
561.39	Principal office.
561.40	Public unit.
561.41	SAIF.
561.42	Savings account.
561.43	Savings association.
561.44	Security.
561.45	Service corporation.
561.49	[Reserved]
561.50	State.
561.51	Subordinated debt security.
561.52	Tax and loan account.
561.53	United States Treasury General Account.
561.54	United States Treasury Time Deposit Open Account.
561.55	With recourse.